News Release

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1280 Villa Street, Mountain View, CA 94041-1194 (415) 961-3300
Telex 171407 FAX (415) 961-3966

FOR IMMEDIATE RELEASE **CONTACT: DON PRICE**

JUNE 27, 1988 **415-961-3300**

FEDERAL GOVERNMENT SOFTWARE AND RELATED SERVICES MARKET TO REACH $3.0 BILLION BY 1992

Mountain View, California. INPUT, a leading market research and consulting firm, estimates that the federal government market demand for software and related services will increase 12% over the next five years from 1.7 billion in 1987 to 3.0 billion in 1992. Two distinct but interrelated segments of the federal software market are packaged software and custom development. Both of these segments will enjoy continued growth between 1987 and 1992.

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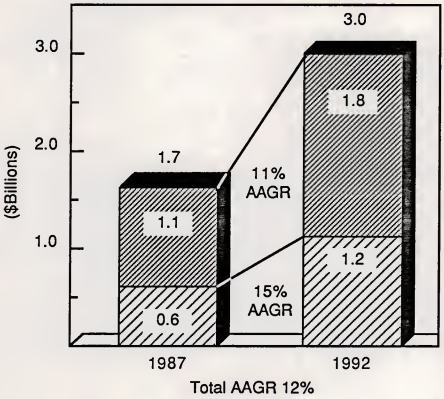
FEDERAL SOFTWARE DEVELOPMENT AND SOFTWARE PRODUCTS MARKET, GFY 1987-1992



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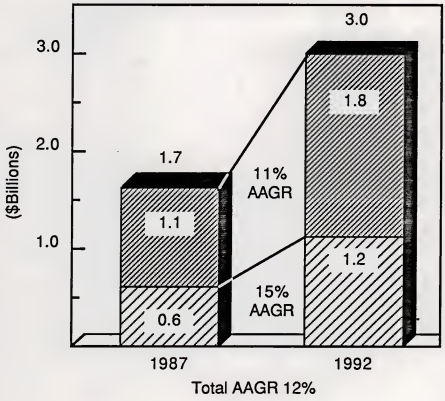

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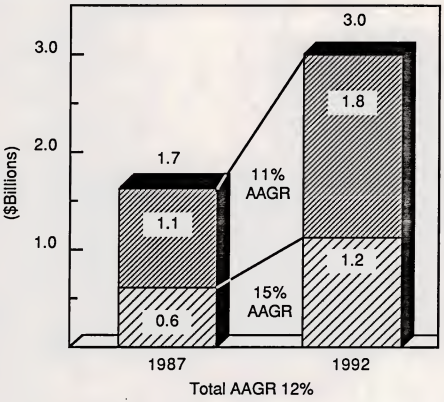

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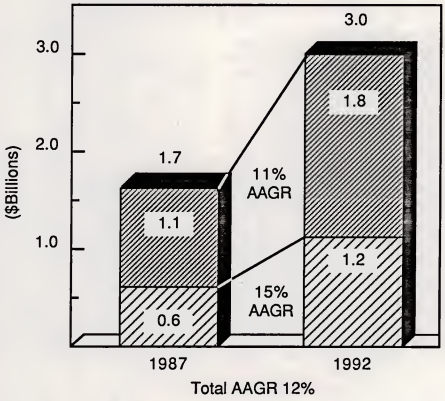

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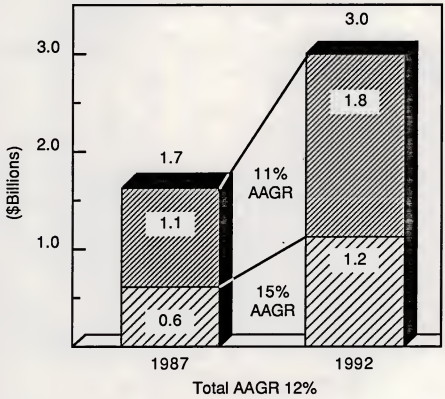

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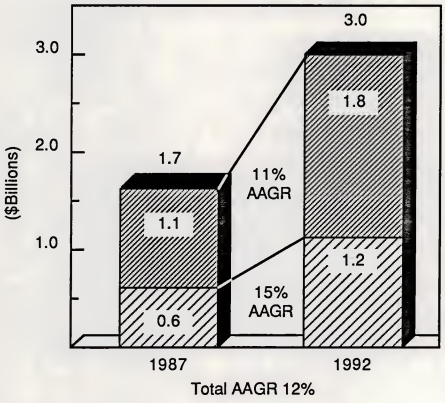

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FOR IMMEDIATE RELEASE **CONTACT: JAN MCDANIEL**

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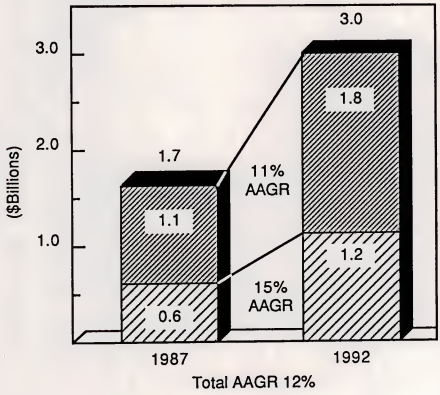

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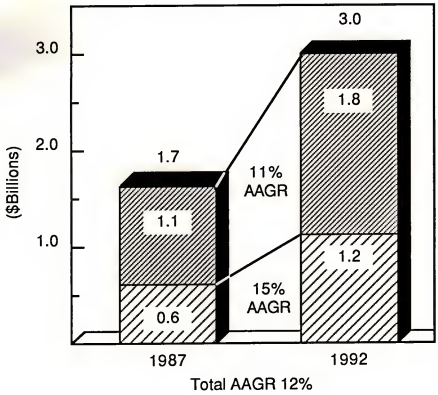

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INPUT, INC.

8298 C, Old Courthouse Road, Vienna, VA 22180 (703) 847-6870

TOBY D. FOX
Senior Research Analyst

3/21/88

To: Jan McDaniel

Attached is a draft press release for the FISSP G-SR2, Software & Related Services Report.

Please let me know if you need any additional information.

Thank you for your cooperation.

Toby

June 27

DRAFT PRESS RELEASE - G-SR2 REPORT

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The report, titled Federal Software and Related Services Market 1987-1992, presents the results of research and analyses of two distinct, but interrelated market segments: off-the-shelf software packages and their maintenance, and professional services activities required to develop custom software. During this forecast period, software products will exhibit more rapid growth, but the custom software development segment will account for the majority of federal expenditures.

As noted in the report, prospects for the federal software market have changed with the expanding functionality of the off-the-shelf products which is coupled with a diminishing perception of unique agency requirements. However, agencies such as the Army, Air Force, Navy, and NASA will continue to represent a large share of the federal outlays for a wide range of software acquisitions and initiatives for the next two to three years.

Federal Software and Related Services also discusses various agencies' current and planned use of Ada and artificial intelligence applications and future user concerns of the federal government as identified through recent surveys. The report identifies contracting preferences and criteria for contract awards for software procurements. Furthermore, both the technical and non-technical factors which will influence the federal software market are examined.

Competitive trends in the marketplace are discussed in the report. The report also identifies the leading vendors which have been awarded software contracts from several GSA programs. Industry perspectives regarding federal acquisition practices and trends impacting the market are also described. Vendor issues and concerns; as well as examples of future opportunities for software and related services in both defense and civilian agencies conclude the report.

Federal Software and Related Services Market is available from INPUT's federal government research office at 8298C Old Courthouse Road, Vienna, Virginia 22180, (703) 847-6870, or INPUT's headquarters office at 1280 Villa Street, Mountain View, CA 94041, (415) 961-3300.

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